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## ANNUAL AUDITED REPORT

FORM X-17A-5

PART III

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FACING PAGE

Washington, DC  
110Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING 01/01/10 AND ENDING 12/31/10  
MM/DD/YY MM/DD/YY

## A. REGISTRANT IDENTIFICATION

NAME OF BROKER DEALER:

HYPATIA CAPITAL ADVISORS LLC

OFFICIAL USE ONLY

FIRM ID. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

750 LEXINGTON AVENUE 6<sup>TH</sup> FLOOR

(No. And Street)

NEW YORK,  
(City)NY  
(State)10022  
(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

PATRICIA LIZARRAGA

(212) 472-7500

(Area Code - Telephone Number)

## B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report \*

FULVIO &amp; ASSOCIATES, LLP

ATTN: JOHN FULVIO, CPA

(Name - if individual state last, first, middle name)

5 West 37<sup>th</sup> Street, 4<sup>th</sup> Floor  
(Address)NEW YORK  
(City)NY  
(State)10018  
(Zip Code)

CHECK ONE:

☒ Certified Public Accountant☐ Public Accountant☐ Accountant not resident in United States or any of its possessions.

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FOR OFFICIAL USE ONLY

\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as basis for the exemption. See section 240.17a-5(e)(2)

Potential persons who are to respond to the collection of  
information contained in this form are not required to respond  
unless the form displays a currently valid OMB control number.

3/30

## OATH OR AFFIRMATION

I, PATRICIA LIZARRAGA, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of HYPATIA CAPITAL ADVISORS LLC, as of DECEMBER 31, 2010, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Alvaro Siginaga  
Signature

MANAGING PARTNER & CEO

Title

Keya A. Reynoso 2/1/11  
Notary Public

KEYSI A. REYNOSO  
Notary Public, State of New York  
Qualified in New York County  
No. 01RE6177717  
My Commission Expires Nov. 19, 2011

State of New York )  
County of New York ) ss.:

This report \*\* contains (check all applicable boxes):

- ☒ (a) Facing page.
- ☒ (b) Statement of Financial Condition.
- ☐ (c) Statement of Income (Loss).
- ☐ (d) Statement of Cash Flows.
- ☐ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☐ (g) Computation of Net Capital.
- ☐ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☐ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☐ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation or Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of previous audit.
- ☐ (o) Supplemental Independent Auditors' Report on Internal Accounting Control.

**\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).**

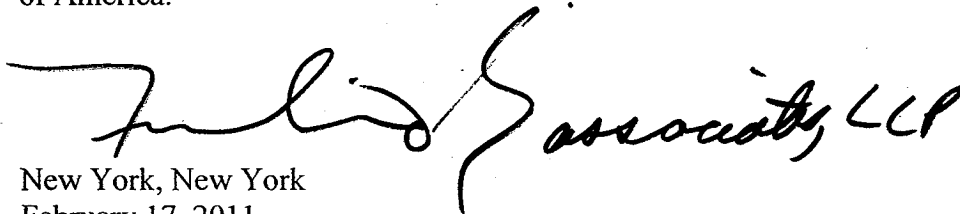
INDEPENDENT AUDITORS' REPORT

To the Managing Member of  
Hypatia Capital Advisors, LLC:

We have audited the accompanying statement of financial condition of Hypatia Capital Advisors, LLC (the "Company"), as of December 31, 2010 that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position of Hypatia Capital Advisors, LLC as of December 31, 2010 in conformity with accounting principles generally accepted in the United States of America.



New York, New York  
February 17, 2011

HYPATIA CAPITAL ADVISORS, LLC  
STATEMENT OF FINANCIAL CONDITION  
DECEMBER 31, 2010

ASSETS

Cash and cash equivalents	\$ 20,328
Property and equipment (net of accumulated depreciation of \$3,974)	3,787
Other assets	<u>1,315</u>
 TOTAL ASSETS	 <u>\$ 25,430</u>

LIABILITIES AND MEMBER'S EQUITY

Liabilities

Accounts payable and accrued expenses	\$ <u>6,733</u>
Total liabilities	<u>6,733</u>
 Member's Equity	 <u>18,697</u>
 TOTAL LIABILITIES AND MEMBER'S EQUITY	 <u>\$ 25,430</u>

The accompanying notes are an integral part of this financial statement.

HYPATIA CAPITAL ADVISORS, LLC  
NOTES TO FINANCIAL STATEMENT  
DECEMBER 31, 2010

NOTE 1 ORGANIZATION AND BUSINESS

Hypatia Capital Advisors, LLC. (the "Company") commenced operations on October 1, 2008. The Company became a broker-dealer on July 7, 2009 and is registered with the Securities and Exchange Commission (the "SEC") and is a member of the Securities Investor Protection Corporation ("SIPC") and the Financial Industry Regulatory Authority, Inc. (the "FINRA"). The Company provides financial advisory and investment banking services. The Company does not hold customer funds or safe keep customer securities from SEC Rule 15c3-3, pursuant to paragraph (k)(2)(i).

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

Revenue and expenses related to financial advisory activities are recorded on an accrual basis when earned and incurred, respectively.

Income taxes

No provision for federal and state income taxes has been made since the Company is not a taxable entity. As a single member limited liability company, the member is individually liable for the taxes on the Company's income or loss. However, the Company is subject to New York City Unincorporated Business Tax and, when applicable, a provision is included on the statement of operations.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions in determining the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

Fair Value Measurement

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures bear no material effect on the financial statements as presented.

Depreciation

Depreciation is provided on a straight-line basis using estimated useful lives of three to five years.

HYPATIA CAPITAL ADVISORS, LLC  
NOTES TO FINANCIAL STATEMENT  
DECEMBER 31, 2010  
(continued)

NOTE 3      FIXED ASSETS

Details of fixed assets at December 31, 2010 are as follows:

Computer equipment	\$ 7,003
Business equipment	<u>758</u>
Total Fixed Assets, at cost	<u>7,761</u>
Less: accumulated depreciation	<u>3,974</u>
Net Fixed Assets	<u>\$ 3,787</u>

NOTE 4      LEASE COMMITMENTS

On October 1, 2010, the Company executed an operating sublease for office space in New York, New York on a month- to- month basis and until either party notifies the other party of its intent to terminate the agreement. Such notification must be in writing and must be delivered at least thirty (30) days before the date that the terminating party wishes to end the agreement. For the year ended December 31, 2010, the rent expense was \$5,250 which is included on the statement of operations.

NOTE 5      NET CAPITAL REQUIREMENT

As a broker-dealer registered with the SEC and FINRA, the Company is subject to the SEC Uniform Net Capital Rule 15c3-1, which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. At December 31, 2010, the Company had net capital of \$13,595 and \$8,595 in excess of the required net capital of \$ 5,000.

NOTE 6      SUBSEQUENT EVENTS

Subsequent events have been evaluated and for the period from January 1, 2011 through February 17, 2011, there were capital contributions of \$14,000.

HYPATIA CAPITAL ADVISORS LLC  
STATEMENT OF FINANCIAL CONDITION  
DECEMBER 31, 2010

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